UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK

In re:

Docket #14cv8105

ZVONKO, et al., : 1:14-cv-08105-PAC

Plaintiffs, :

- against -

ELI'S BREAD, INC., et al., :

New York, New York

1

Defendants. : May 11, 2016

----:

PROCEEDINGS BEFORE
THE HONORABLE PAUL A. CROTTY
UNITED STATES DISTRICT COURT JUDGE

APPEARANCES:

For the Plaintiffs: LAW OFFICES OF VINCENT BAUER

BY: VINCENT BAUER, ESQ.

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New York, NY 10016

For Defendants: DENTONS US LLP

BY: RICHARD SCHARLAT, ESQ.

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INDEX

2

EXAMINATIONS

Re-Re-

Witness Direct Cross Direct Cross Court

None

EXHIBITS

Exhibit Voir Description <u>ID</u> Number Dire <u>In</u>

None

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 2
              THE CLERK: Your Honor, this is the matter of
 3
    Zvonko, et al., versus Eli's Bread, Inc., et al, docket
    14cv8105. Counsel for plaintiffs, please state your
 4
 5
    appearance.
              MR. VINCENT BAUER: Vincent Bauer on behalf of the
 6
 7
   plaintiffs, good afternoon, Your Honor.
 8
              THE COURT:
                         Mr. Bauer.
              THE CLERK: For defendants.
 9
10
              MR. RICHARD SCHARLAT: Richard Scharlat and Neil
11
    Capobianco of Dentons for defendants.
12
              THE COURT: Gentlemen.
13
              MR. SCHARLAT: Good afternoon, Your Honor.
14
              THE COURT: Thank you for coming. Okay, Mr.
15
    Bauer, the last I heard we were supposed to have a
16
    conference on an open discovery issue which the parties, by
17
    working together, were able to resolve, and you asked that
    we schedule an appearance after May 9^{	ext{th}}, so today's May 11^{	ext{th}},
18
19
    what's up?
20
              MR. BAUER: Thank you, Your Honor. Well, I
21
    thought we, well we have made some progress with respect to
22
    some of the open issues and I believe that opposing counsel
23
    and I will continue in that vein. We do have an issue that
24
    I just learned this morning that is going to require the
25
    Court's attention, and the issue, if I may, is this, and
```

1 quickly by way of background. The plaintiffs in this care 2 are 17 delivery drivers for defendant, Eli's Bread. 3 Essentially the only issue in the case is how long the 4 5 routes that they drove took, because while there was a punch 6 clock, there was no requirement that they punch in and punch 7 out, and so there were no punch records for many of the 8 records, there are some scant records with respect to others, and at least one or two of the plaintiffs pretty 9 10 frequently, although not consistently, punched in and 11 punched out. And so the open issue relates to those facts. 12 There was an issue with respect to the defendants 13 originally objected to producing the route, the punch 14 records with respect to all the plaintiffs, they've now done 15 that. I got those records yesterday. I thought we had an 16 agreement whereby counsel was also going to produce to me 17 this week the records with respect to non-plaintiff delivery drivers and the rationale in that regard, Your Honor, is as 18 19 follows. For most of my clients there are no punch records, 20 whatsoever, and so my understanding is that defendants would 21 like to use punch records with respect to one or more of the 22 plaintiffs to suggest to the Court that that's the amount of 23 time that the route driven by another plaintiff who had the 24 same route would, you know, that's how long it should take. 25 THE COURT: Another plaintiff or another party,

```
5
 1
 2
    another person?
 3
             MR. BAUER: Another plaintiff driver.
             THE COURT:
 4
                          Okay.
 5
             MR. BAUER:
                          So they're saying well we can use, for
 6
    example, plaintiff Jensey Jorge's punch records for this
 7
    route against plaintiff Zoric Zvonko, even though he doesn't
 8
   have punch records, we're going to make the assumption that
    these two gentlemen should have taken the same amount of
 9
10
    time on average to drive the same route. Now I don't
11
    believe that's the case, I think they're going to have a
12
    significant problem in terms of admissibility trying to
13
    establish how long somebody worked based on how long
14
    somebody else worked, but that's an issue for trial, I would
15
    suspect.
16
             With respect to discovery, my position is this.
    Well, if that's the case, if you're allowed to use or you
17
18
    intend to use records with respect to plaintiff Jorge, you
19
    know, to demonstrate something as it relates to other
20
    plaintiffs, then I should at least have the opportunity to
21
    review the documents that show how long the non-plaintiff
22
    drivers took to drive similar routes. Now I understand that
23
    they're not going to complete records, for some of those
24
    individuals I'm going to get a bunch of pages, just as is
25
    the case with respect to the plaintiff records, where it
```

1 will show unscheduled, meaning they didn't punch in or out, 2 or it will show time when they punched in but now time that 3 they punched out. And so what I'm looking for are the 4 records with respect to drivers, non-plaintiffs, that 5 6 consistently punched in or out, or on some days punched in 7 or out. And I know that's the case, well at least my clients 8 inform me that that's the case. In terms of the non-9 plaintiffs, there were some of those guys who would punch in 10 and punch out on a regular basis. 11 And so that's the discovery I'm looking for. We 12 had a deal that I would be getting that and I learned this morning that that's not the case, that the defendants would 13 14 rather go in a different direction, they thought that they 15 alternative proposal that I had made was that if they don't 16 give over the records as it relates to the non-plaintiffs, 17 then they wouldn't be able to use those in connection with 18 the case to demonstrate how long one of the plaintiffs or 19 several of the plaintiffs should have taken or did take with 20 respect to these routes. My proposal was this, if it is, if I'm not going 21 22

to get the non-plaintiff driver records, then I'm at a disadvantage and the way to level the playing field in that regard is for no one to be able to use the records, the punch records of a driver essentially against any other

23

24

25

```
1
 2
   driver, you know, because it's no more relevant or probative
 3
   how long it took Jensey Jorge to drive a particular route
    than a non-plaintiff driver who punched in and punched out.
 4
 5
   We should be able to see, my understanding is that Jensey
 6
    Jorge was the fastest of the drivers, he got his route done
 7
    more quickly than others, family man, zip, zip, zip, zip,
 8
    zip, and got things done, and, you know, so the records for
   him might be misleading. So I think I'm entitled to the
 9
10
    records for the non-plaintiff drivers that show whatever
11
    they show about when they punched in and punched out, how
12
    long those routes should take. And alternatively, there
13
    should be an agreement, and I thought that was clearly what
14
    I was proposing, that, you know, those punch records can be
15
    used for Jensey Jorge, certainly, but should not be able to
16
   be used for Zoric Zvonko or anyone else because that allows
17
    them to cherry pick.
                         Okay, so what's the issue?
18
             THE COURT:
19
    is the defendants won't say yes to you?
20
             MR. BAUER:
                          Say it again?
21
             THE COURT:
                          The issue is the defendants won't say
22
    yes to your proposal?
23
             MR. BAUER:
                          Right.
24
             THE COURT:
                          Okay.
25
                          What they're saying now is we thought
             MR. BAUER:
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1
   you had a different proposal which was we just won't
 2
    introduce any non-plaintiff driver records, I said, no, no,
 3
   no, that's not what I offered, and so now we don't have a
 4
 5
    deal, and six weeks has passed and now I don't have these
 6
   non-plaintiff records. Counsel did make a good point in our
 7
    call this morning which is that, you know, we can start the
 8
    depositions without those non-plaintiff driver records, to
    the extent that if they want to use a non-plaintiff driver's
 9
10
    punch records in a deposition I just need those in advance a
11
    couple of days so I can prep the witness having the benefit
12
    of those documents.
13
             THE COURT: What did the defendants have to say?
14
                            Your Honor, as to the non-
             MR. SCHARLAT:
15
   plaintiffs, I want to apologize and I apologize to Mr.
    Bauer, there was a miscommunication, we were still learning
16
17
    how to deal with our client and who the decision maker was.
    I think that the deal, as we understood it, makes some
18
19
    sense, and I'm working to get my client to agree to it,
20
    because I'm focused really in all of this on rule one, Your
21
    Honor, that we do this in the fastest, most expedient and
22
    most inexpensive way. We produced 2,500 pages of punch
23
    records so he has the complete universe of plaintiffs'
24
    documents. To get into the non-plaintiffs' documents will be
25
    another burden. So what I understood the deal to be, Judge,
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1
   and I think it made sense, is that if we don't produce the
 2
 3
   non-plaintiff records, whatever value they are, and
    respectfully, I don't know if Mr. Bauer can really make an
 4
    evaluation if he, in fact, doesn't have everything he needs
 5
 6
    already because he's got the punch records of the plaintiffs
 7
    which he got yesterday which was timely. So put that aside
    for a second.
 8
 9
             The non-plaintiff records may or may not be
10
    useful, but if we choose not to produce them, we're
11
    obviously prepared to say that we wouldn't introduce them as
12
   part of our case.
             THE COURT: You couldn't introduce them.
13
14
             MR. SCHARLAT: Okay, so I agree that's ice in the
15
    winter. But what I'm not prepared to say, Judge, is that,
16
    therefore, I can't cross-pollinate, so to speak, between
17
    plaintiffs on records that have been produced.
             THE COURT: Listen, how are the drivers
18
19
    compensated?
20
             MR. SCHARLAT: They're compensated on a daily
21
    rate.
22
             THE COURT: A daily rate of what, per hour or per
23
    mile or --
24
             MR. SCHARLAT:
                             Per day.
25
             MR. BAUER: Per day.
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1
                                                        10
 2
             THE COURT: And they have all day or as much of
    the day as they'll take to, I mean is it, let's do this
 3
 4
    simply.
 5
             MR. SCHARLAT:
                             Sure.
 6
             THE COURT: The route goes from, has 10 stops and
 7
   he gets $100, and however long that route takes he still
 8
    gets $100?
 9
                             Right.
             MR. SCHARLAT:
10
             THE COURT: So if he does it in 2 hours he's
11
    making $50 an hour?
12
             MR. SCHARLAT:
                             Right.
13
             THE COURT: If he does it in 4 hours he's making
14
    $25 an hour, if it takes him 8 hours he's making $12 an
   hour, is that it?
15
16
             MR. SCHARLAT: Right. I think that --
17
             THE COURT: I used to unload boxcars that way when
    I was going to college, you know, they'd have a boxcar fee,
18
19
    it didn't make any difference how long it took, you got
20
    paid, you and your crew got paid X amount of money for
21
    unloading a boxcar.
22
             MR. SCHARLAT: So that's a good analogy, I think
23
    the difference here might be that, and we have other records
24
    which we're talking about producing, which show that it
25
    really can't be done, except within some range, because you
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1
                                                        11
 2
   have, and these are inventory registers that Mr. Bauer just
    asked for in April, he sent us a third document request on
 3
    April 21<sup>st</sup>, the way, you can think about the way bread is
 4
 5
    delivered.
                Early in the morning you've got to get there and
 6
   you have a certain amount of stops, and restaurants have to
 7
   have their food at a certain time, and you have to complete
 8
   your deliveries within a certain amount of time otherwise
    they're not going to accept it or there's going to be
 9
10
    problems and lots of complaints. So it's not so wide as to
11
    say he could finish it in two hours, it would be virtually
12
    impossible based on the way they structure these things and
13
    we have records that say that. But the question is did he
14
    finish it in six hours or eight hours, that's sort of the
15
    range you're talking about for most of the routes.
16
              So we have other records besides the punch records
17
    which we're now talking about with Mr. Bauer about doing
18
    samples for, again, because of the burdens --
19
              THE COURT:
                         And what would those other records be?
20
              MR. SCHARLAT: Those records would be GPS records.
21
              THE COURT:
                          Oh.
22
             MR. SCHARLAT: Okay, which we have some of, there
23
    were two systems.
24
              THE COURT: Would it be restaurant orders that
25
    said delivery must be made by 10:00?
```

```
1
                                                        12
 2
             MR. SCHARLAT: Well that's an inventory register,
   Your Honor.
 3
             THE COURT:
 4
                        Okay.
 5
             MR. SCHARLAT:
                            Basically a driver would get a
 6
   printout of everywhere they had to be and when they had to
 7
   be there on that day on that route. So if you had to stop
 8
    at, you know, make up a restaurant, you know, you had to be
    there by 6:00, if you weren't there by 6:15 you had a
 9
10
    problem, or if you got there too early, they weren't open,
11
    you would sit there. So those provide some real rationale,
12
    some real common sense indication of how long these things
    would take.
13
14
             Now, I would just say to preclude us from using,
15
    Mr. Bauer keeps referring to Jensey Jorge so I'm just doing
16
    that for an example, if we have good records from one driver
17
    about how long a particular route too, who's a plaintiff,
18
    and we've produced all those records, and there's another
19
    plaintiff who ran that route on certain days, those records
20
    would be probative, I think very probative, but certainly
21
    probative as to how long that route took for the other
22
    driver, subject to cross examination, subject to other
23
    evidence. So if I don't produce certain non-plaintiff
24
    records, I get it, but if I produced a universe of records,
25
    I should be able to use that universe of records for and
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1
                                                        13
    against any drive that it makes sense that it's probative.
 2
    So that I can never agree to.
 3
              THE COURT: So you're still talking with one
 4
 5
    another, I mean it's like trying to mediate a dispute that's
 6
    still ongoing.
 7
              MR. SCHARLAT:
                             I think, Your Honor, if I may, I
 8
    think the most important thing Mr. Bauer said today and that
    is what we do agree on, is I think we can move forward with
 9
10
    some depositions. And I'm very -- look, I came in as a
11
    second lawyer here, I'm mindful of the fact -- third?
    there's more discovery every day, Judge, now I'm the third
12
    lawyer. So, you know, I'm trying to really be mindful and
13
14
    respect the Court's scheduling order, coming in here from
15
    day one saying I think we can do this. We've produced a lot
16
    of documents that frankly should have been produced before,
17
    they're not produced. We're trying to move forward.
18
    nothing, and this was said in the call today, nothing that's
19
    happened so far, I haven't missed any dates, I can produce
20
    the non-plaintiffs by May 13<sup>th</sup> still and be within the
21
    agreement, but, you know, we're going to have to work that
22
    out and I don't think my client's going to agree to that.
23
              But we're prepared to move forward, as Mr. Bauer
24
    said, on a commonsense, good faith basis, if we're going to
25
    show somebody something, give them a heads up, nothing by
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1
                                                        14
 2
    ambush, okay?
                  But we have a problem with the availability
 3
    of one witness that I want to raise to the Court, we would
    like to start with a man named Milan who was a manager of
 4
    the routes who we believe a lot of plaintiffs' information
 5
 6
    about what routes were and how long the routes were, he
 7
    apparently, according to Mr. Bauer's information, and I
 8
    understand Mr. Bauer's having trouble getting information,
   he's in Serbia, Belgrade, I messed up the countries, he's
 9
10
    ill, he's recuperating, he may not be available. They're
11
    hoping he'll be able to come for trial, those are the kinds
12
    of things that set bells off in my head. I have no affidavit
13
    from him, I have no statement from him, I can't have a
14
    September surprise if this trial is going to be in
15
    September. He's the person we would want to depose first,
16
    so, you know, that's an issues for me, you know.
17
             THE COURT:
                         What can I do about that?
18
             MR. BAUER:
                         Your Honor --
19
             THE COURT:
                         Excuse me, Mr. Bauer.
20
                            I'm sorry, I just wanted to bring
             MR. SCHARLAT:
21
    it to the Court's attention that this is part of the
22
    discussions we're having and it, you know, it may be an
23
    issue that arises. I thought it was important not to let
24
    that go to the last minute, Your Honor.
25
             THE COURT: All right. Yeah, Mr. Bauer.
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1
                                                        15
 2
             MR. BAUER:
                          If I may, Your Honor. Milan Ratijac
 3
    (phonetic) is their witness, he was their employee for many,
    many years, he presided, he was the route supervisor and he
 4
   presided over all the drivers. He retired because he's
 5
 6
    quite ill, he has cancer, and he would not voluntarily give
 7
    us an affidavit or show up for a deposition, so I subpoenaed
 8
   him, it took some time and effort, got him subpoenaed and on
    two occasions he called me right before the deposition date
 9
10
    and said I'm physically unable to testify. My information
11
    around that time was that he was physically unable to
12
    testify so I didn't make a motion to compel his deposition
13
    or what have you.
14
             THE COURT: Was his deposition going to be in
15
    Europe or going to be here?
16
             MR. BAUER:
                         No, he was here.
17
             THE COURT:
                         Oh, he was here.
18
             MR. BAUER:
                         He was in New Jersey, we were going to
19
    try to do it over in Ft. Lee because he was sick enough that
20
    we thought maybe we could have a conference room down the
21
    block from his house and not require him to travel.
22
    great efforts to try to put this together but his illness
23
    prevented him from testifying.
24
             THE COURT:
                         And he is now overseas?
25
             MR. BAUER: My information, and, you know, I'm a
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1
                                                         16
 2
    little reluctant to make representations because I'll hear
    things. A client will say, hey, I heard this, or I heard
 3
    that, you know, and I don't know, he does not speak to me, I
 4
    can't pick up the cell phone and call him on his cell phone
 5
 6
    and expect him to pick up, that's not the relationship.
 7
    Again, he's their former employee, he's just a guy I
 8
    subpoenaed.
 9
              THE COURT:
                          Okay.
10
             MR. BAUER:
                          I'd love to --
11
              THE COURT:
                          Tell me again why information from
12
    non-plaintiffs is relevant to --
13
                          Oh, oh, back to the issue of the non-
             MR. BAUER:
14
    plaintiff drivers?
15
              THE COURT:
                          Yeah, right.
16
             MR. BAUER:
                          Mr. Scharlat made the exact point,
17
    what he said with respect to Jensey Jorge is how long it
18
    took him to drive the route is probative of how long it
19
    would take another plaintiff who drove that same route to
20
                      Same logic, well, if John Non-Plaintiff
    drive the route.
21
    has punch records that show how long it took him to do a
22
    given route, that would be probative of long it took one of
23
    the plaintiffs who drove the same route to drive that route.
24
             Now it's important to get the non-plaintiff
25
    records because we have pretty good records for Jensey
```

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1
                                                        17
 2
   Jorge, he only drove some of the routes, there are many
    routes that he had no involvement in so we have no ability
 3
    to glean from Mr. Jorge's route --
 4
 5
             THE COURT:
                          So if I were to look at this from the
 6
    standpoint of routes at issue, and not every route is at
 7
    issue, right?
 8
             MR. BAUER:
                         Well, the routes at issue --
             THE COURT: We'd want all the drivers --
 9
10
             MR. BAUER: The routes driven by any of the 17
11
    drivers during the 6 year period.
12
             THE COURT: Okay, so it's a defined number of
    routes, 17 drivers, or 17 routes and how many --
13
14
             MR. BAUER: Right, and then the routes switch and
15
    what have you, but we had a list, I want to say it was
16
    approximately 20 routes all in.
17
             THE COURT: And you want to, by route, the punch
    records or whatever records exist as to the drivers who
18
19
    delivered on that route --
20
             MR. BAUER:
                         Yes.
21
             THE COURT:
                         Regardless of whether their plaintiffs
22
    or not for plaintiffs, or whether they're plaintiff or non-
23
   plaintiff.
24
                         Exactly.
             MR. BAUER:
25
             THE COURT: All right. Okay. And Mr. Scharlat,
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1
                                                        18
    what's the objection to that?
 2
 3
             MR. SCHARLAT:
                             The objection to that --
             THE COURT: So you're trying to find out how long
 4
 5
    the routes are, why isn't that some evidence?
 6
             MR. SCHARLAT: I'm sorry, Your Honor?
                         Why isn't that some evidence?
 7
             THE COURT:
 8
             MR. SCHARLAT:
                             It could be. I think that --
             THE COURT: Isn't that enough for discovery
 9
10
    purposes?
11
             MR. SCHARLAT: I think you have to balance the
12
    expense of it, Your Honor, the burdensomeness of it, the
13
    worth of it considering he has all the records for all the
14
    plaintiffs, and Jensey Jorge wasn't the only one that there
15
    were punches for. There are punches that cover the other
16
    routes, as well, some of those routes, Your Honor, for the
17
    non-plaintiffs, are routes that are discontinued. Some of
18
    them, you know, are not relevant, and that decision has to
19
    be made as well.
20
             So what I'm trying to see if we can reach an
21
    agreement on, and when I say -- also with my client, not
22
    just with Mr. Bauer, is to say, look, we've got the
23
    plaintiffs' records, they are what they are, we have other
    forms of records which are going to be more informative than
24
25
    these punch records, let's focus on that in terms of
```

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1
                                                        19
 2
    efficiency, it's much more valuable information, the GPS and
    the inventory registers, and as we go through the
 3
    depositions we'll see. I'm not going to ambush Mr. Bauer,
 4
 5
    and let's do this in a prudent way. I don't think Mr. Bauer
 6
    even knows what he has yet because he just got all of the
 7
    plaintiffs' records.
 8
             THE COURT:
                          Okay.
                        Your Honor, if I may, just one point?
 9
             MR. BAUER:
10
             THE COURT:
                         Yeah.
11
             MR. BAUER:
                        Counsel had suggested that I will be
12
    given alternative records that are more probative than the
    non-plaintiff punch records, I just wanted to address that
13
14
    briefly. Counsel made a representation with regard to GPS
15
    records, I have no GPS records, and I have no concrete
16
    presentation from opposing counsel yet, although I was
17
    promised one, as to, you know, what that entails, what I'd
    be getting, who might be a relevant witness with respect to
18
19
    this, so I have no confidence that I'm getting anything
20
    there. In fact, the last affirmative representation that was
21
    made was that there was never anything that would be kept
22
    over time, it was just they had a GPS record so you could
23
    look and see where a driver currently was. It seems like
24
    that's now no longer the case, so I'm not comforted by the
25
    representation that there are going to be GPS records
```

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20
 1
   provided to me that will be more informative because I don't
 2
 3
   know anything about them.
             With respect to the invoice registers that counsel
 4
 5
   mentioned, there's some problems with those. One is that's
 6
   basically a route list with suggested times the drivers tell
 7
    me. They said there is no real penalty associated with being
 8
    a little bit late, it takes, you know, it's sort of a
    schedule, this is what we'd like you to do, you can't be
 9
10
    significantly late, what have you. The other thing is this,
    there is a significant portion of the driver's day that
11
12
    starts before the driver gets in the car, and certainly
13
    starts before the driver makes the first stop. Some of these
14
    guys are there two or more hours before they jump into the
15
    van and then they start their route.
16
             THE COURT: What are they doing?
17
             MR. BAUER:
                          I'm sorry?
             THE COURT: What are they doing, loading the
18
19
    truck?
20
             MR. BAUER:
                         They're boxing things, loading the
    truck and, you know, and what have you.
21
22
             THE COURT:
                         Okay. And also after they get off,
23
    you know, they bring the truck back, then, you know, they
24
    don't, they're not necessarily immediately punching out,
25
    they may be talking to the supervisor, they may be doing any
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21
 1
   number of things, and so that's a piece of data. I think
 2
    it's, if you look at it facially it's misleading, you'll
 3
    say, oh, that suggests it should take six hours and we know,
 4
 5
    we have punch records that suggest for that same route that
 6
    that's not the case. So I'm underwhelmed with this notion so
 7
    far that these alternative types of records --
 8
             THE COURT: Well I'm not going to make any rulings
    today, Mr. Bauer. If you want to write me a letter setting
 9
10
    forth your grievances, I'll get a response from Eli's Bread,
11
    then I'll make a ruling.
12
             MR. BAUER:
                          Okay. And if it makes sense to the
    Court, why don't counsel and continue to talk and so if --
13
14
             THE COURT: You should certainly continue to talk.
15
             MR. BAUER: If by the end of next week we don't
   have a resolution, I'll write the Court.
16
17
             THE COURT:
                         All right.
                             Thank you, Your Honor, that's fine
18
             MR. SCHARLAT:
19
    with us. I mean just to close it out, we had talked about as
20
    recently as this morning about potentially working out some
21
    sampling agreement so we don't have to go through
22
    everything. I just want to make one comment about the
23
    inventory registers, I think Mr. Bauer's point is well taken
24
    except I believe, I'm almost certain, I'm almost certain,
25
    that the testimony will be that the inventory registers take
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1 22 into account time on either side for loading and arriving 2 3 and leaving. So, you know, we'll get into that but I stand by my statement that I believe there are more helpful 4 5 records than punch records that just on schedule. 6 THE COURT: Okay. So you're still looking. 7 MR. SCHARLAT: We're still looking, still 8 gathering, as for the GPS records, there's two different things. There's older GPS records from an old system that 9 10 we don't have anymore. We told Mr. Bauer this morning that 11 there's a cost in trying to get whatever we can get, and 12 going forward with the new GPS records, which are at least on their face valuable records, we're working on putting 13 14 them together. It is, Your Honor can imagine, and the GPS is 15 by route, so then you have to match it up to the driver for that day, it's not just print them out and produce them, 16 17 we've got to understand them and, you know, at least know exactly what we're producing. We're working on that, but 18 19 there's a difference between the old and the new GPS. 20 THE COURT: What's the theory of your case, Mr. 21 Bauer, with regard to this, a route takes a certain amount 22 of time and you ought to be paid an hourly rate? 23 MR. BAUER: Yes, Your Honor. The law provides that 24 to the extent that there is a daily rate payable to an 25 employee for a piece of work, a route in this instance, to

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 2
    the extent that pursuant to that methodology an employee
 3
    works more than 40 hours in a given week, it's a half time
    case, they're entitled to half time for, half of their
 4
 5
    regular rate for each of the hours that they work in excess
 6
    of 40.
            I don't think there's a dispute with respect to
 7
    that, and so the issue becomes how many hours did they work.
 8
    And if you get to the end of the week was it more than 40,
    and if so, do the math, that's the entirety of the case. And
 9
10
    because they don't have consistent records --
11
                         Well what if the worker is a slow
             THE COURT:
12
    worker and if he's a more diligent employee, he could have
13
    got it done --
14
                         I take your point and I guess that
             MR. BAUER:
15
    would be a proof issue. My understanding is that the remedy
16
    for that, if somebody works too slowly, is you fire them,
17
    just as if somebody took too long, you know, worked too many
18
    hours in connection with a different sort of job, not a pay
19
    per day, and they're working too much overtime, you can fire
20
    them but you still have to pay the overtime to them before
21
    you do. And so if they actually worked that amount of time,
22
    well that's what they did.
23
             Now, obviously if they went to see a girlfriend,
    or to another job, or, you know, then that's a different
24
25
    question, but --
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 2
             THE COURT: Well maybe they like to dawdle and
 3
    talk to the bread manager at the restaurant, what are the
   new trends and, you know what I mean?
 4
                         My belief, Your Honor --
 5
             MR. BAUER:
 6
             THE COURT:
                         Have you tried the new olive oil
 7
   bread, you know, you're a selling person, you know?
 8
             MR. BAUER:
                          I take your point and --
             THE COURT: And instead of just rushing in, I'm in
 9
10
    a hurry, here's your bread, and they say there's your hat,
11
    get going.
12
             MR. BAUER: Right, my position is they're entitled
13
    to be paid for the hours they actually worked, whether they
14
    went quickly or not.
15
             THE COURT:
                         Is that right, even if you take longer
16
    than you should?
17
             MR. BAUER: That's my understanding, yeah, and,
    you know, obviously to an extent if there's, because, this
18
19
    is not the setup that our clients put together, this is the
20
    Eli's Bread setup, and we didn't write these laws. The laws
21
    say if you work these hours you're entitled to be paid. And
22
    so I understand at some point it becomes ridiculous. If
23
    you're doing, you know, if you are on a frolicking detour
24
    then I would think there is probably a pretty good argument
25
    that the client shouldn't be paid, you know, the plaintiff
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    shouldn't be paid for that time. But if you're slowly
 2
 3
    working through or you're working not as fast as a
 4
    colleague, I don't think that matters under the law.
 5
             THE COURT: Okay, well we'll see. All right, the
 6
    offer is on the table, Mr. Bauer, if you can work this out,
 7
    fine, if you can't work it out, write me a letter, I'll get
 8
    a response and I'll rule on it.
 9
             MR. BAUER:
                         Thank you.
10
             THE COURT: Thank you very much.
                            Thank you, Your Honor.
11
             MR. SCHARLAT:
12
             THE COURT: Do we need another date?
13
             MR. BAUER: I think that might make sense.
14
             THE COURT: You don't have your phone?
15
             MR. SCHARLAT: Of course not.
16
             THE COURT: You should get your Southern District
17
    of New York counselor's card, do you know how to do that?
18
             MR. SCHARLAT: I do, Judge, I've had it in the
19
    past.
20
             THE COURT: It's pretty simple, next time you're
21
    down here you should do it.
22
             MR. SCHARLAT: Yes, Judge. Point well taken.
23
             THE COURT: Now that we have these new pavilions,
24
    you know, they have separate entries for lawyers with
    Southern District of New York cards.
25
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                                                        26
 2
             MR. SCHARLAT: Understood.
             THE COURT: It will make your entry into the
 3
 4
    simpler, too.
 5
             MR. SCHARLAT: Okay.
 6
             THE COURT: Okay. Marlon, give me a date,
7
    sometime in June or July?
             MR. SCHARLAT: I think the end of June.
8
 9
             MR. BAUER: I would agree.
             THE CLERK: Tuesday, June 28th at 3 p.m., Your
10
11
   Honor.
12
             THE COURT: Yeah, okay. Thank you very much.
13
             MR. SCHARLAT: Thank you.
14
             MR. BAUER: Thank you, Your Honor.
15
             THE CLERK: This Court stands adjourned.
16
                  (Whereupon the matter is adjourned.)
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3	CERTIFICATE
4	
5	I, Carole Ludwig, certify that the foregoing
6	transcript of proceedings in the United States District
7	Court, Southern District of New York, Zvonko, et al., versus
8	Eli's Bread, Inc., et al., Docket #14cv8105, was prepared
9	using PC-based transcription software and is a true and
10	accurate record of the proceedings.
11	
12	
13	
14	
15	Signature
16	
17	Date: June 9, 2016
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